S.J.S. ENTERPRISES LIMITED
Statutory Audit For The
Year Ended 31 March 2021

B S R & Co. LLP
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of S.J.S. Enterprises Limited *(formerly known as S.J.S. Enterprises Private Limited)*

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of S.J.S. Enterprises Limited ("the Company"), which comprises the balance sheet as at 31 March 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditors' report thereon. The Director's report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Independent auditors' report (continued)

When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable, under the relevant laws and regulations.

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act

   e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its financial statements - Refer Note 38 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

The Company was a private limited company as at 31 March 2021 and accordingly, the provisions of Section 197 of the Act were not applicable to the Company for the year ended 31 March 2021.

for **B S R & Co. LLP**
Chartered Accountants
ICAI firm registration number: 101248W/ W-100022

Umang Banka

Umang Banka
Partner
Membership No.: 223018
ICAI UDIN: 21223018AAAABO6190

Place: Bangalore
Date: 19 July 2021

Annexure A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 in 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report to the members of S.J.S. Enterprises Limited ('the Company') on the financial statements for the year ended 31 March 2021, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(ii) The inventory, except for goods in transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between physical stocks and the book records were not material and have been appropriately dealt with in the books of accounts

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us, there are no loans, investments, guarantees and security given in respect of which provisions of Section 185 and 186 of the Act are applicable. Accordingly, the provisions of clause 3(iv) of the Order are not applicable to the Company.

(v) The Company has not accepted any deposits from the public within the meaning the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government of India for maintenance of cost records under Section 148(1) of the Act in respect of the year ended 31 March 2021 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax, duty of custom and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there have been slight delays in a few cases. As explained to us, the Company did not have any dues on account of duty of excise, services tax, value added tax, sales tax and cess.

Annexure A to the Independent Auditors' Report (continued)

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, duty of custom, Cess and other material statutory dues were in arrears as at 31 March 2021, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, goods and services tax, sales tax, services tax, value added tax, duty of customs and duty of excise which have not been deposited with the appropriate authorities on account of any dispute, except for the following:

Nature of statute	Nature of dues	Amount (In INR)	Period to which the amount relates (Assessment Year)	Forum where dispute is pending
The Income tax Act, 1961	Income tax and interest	16,317,609 (16,317,609)*	2009-2010, 2014-2015, 2017-2018 & 2018-2019	Deputy Commissioner, Income Tax, Bengaluru
The Central Excise Act, 1944	Sales Rejections which were not repaired or reworked Cenvat Credit availed for the period From 01.05.2004 To 12.05.2009	3,431,271 (3,000,000)**	June 2006 to March 2009	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru

*Amount represents amounts adjusted by tax authorities.

**Amounts mentioned in parenthesis represent payments made under protest

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company does not have any outstanding loans or borrowings from government and financial institution and there are no dues to debenture holders during the year.

(ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Thus, paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or any material fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Company was not a public limited company as on 31 March 2021 as defined under the Act. Hence the provisions of Section 197 read with Schedule V to the Act were not applicable to the Company for the year ended 31 March 2021. Accordingly, paragraph 3(xi) of the Order is not applicable

Annexure A to the Independent Auditors' Report (continued)

(xii) According to the information and explanations given to us, in our opinion, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 188 of Act, where applicable, and details of such transactions has been disclosed in the financial statements as required by the applicable Indian accounting standards. The Company was a private limited company as at 31 March 2021 and hence, the provisions of section 177 of the Act were not applicable.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanation given to us and in our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

for **B S R & Co. LLP**
Chartered Accountants
ICAI firm registration number: 101248W/ W-100022

Umang Banka

Umang Banka
Partner
Membership No.: 223018
ICAI UDIN: 21223018AAAABO6190

Place: Bangalore
Date: 19 July 2021

Annexure B to the Independent Auditors' report on the financial statements of S.J.S. Enterprises Limited *(formerly known as S.J.S. Enterprises Private Limited)* for the year ended 31 March 2021.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of **S.J.S. Enterprises Limited** ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

Annexure B to the Independent Auditors' report (continued)

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for **B S R & Co. LLP**
Chartered Accountants
ICAI firm registration number: 101248W/ W-100022

Umang Banka

Umang Banka
Partner
Membership No.: 223018
ICAI UDIN: 21223018AAAABO6190

Place: Bangalore
Date: 19 July 2021

S.J.S. Enterprises Limited *(formerly known as S.J.S. Enterprises Private Limited)*
Balance Sheet

(₹ in million)

	Notes	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
ASSETS				
Non-current assets				
Property, plant and equipment	3	1,409.02	1,487.83	1,451.82
Capital work-in-progress	3	42.52	2.46	1.82
Right-of-use assets	22	77.40	35.72	36.08
Goodwill	4, 41	39.51	39.51	39.51
Other intangible assets	4	25.98	38.71	50.46
Financial assets				
i. Loans	5	7.87	9.78	8.05
ii. Other non-current financial assets	6	0.10	0.10	0.10
Income tax assets (net)	7	16.36	54.83	54.48
Other non-current assets	8	31.14	79.72	89.33
Total non-current assets		**1,649.90**	**1,748.66**	**1,731.65**
Current assets				
Inventories	9	332.35	277.63	247.14
Financial assets				
i. Investments	10	814.66	695.55	550.39
ii. Trade receivables	11	597.30	448.26	457.66
iii. Cash and cash equivalents	12	216.12	107.61	29.01
iv. Bank balance other than cash and cash equivalents	13	159.94	-	-
v. Loans	5	1.68	1.60	1.62
vi. Other current financial assets	6	3.63	2.08	0.08
Other current assets	8	59.86	41.16	22.94
Total current assets		**2,185.54**	**1,573.89**	**1,308.84**
Total assets		**3,835.44**	**3,322.55**	**3,040.49**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14	304.38	304.38	304.38
Other equity	15	2,847.78	2,492.12	2,081.19
Total Equity		**3,152.16**	**2,796.50**	**2,385.57**
Liabilities				
Non-current liabilities				
Financial liabilities				
i. Lease liabilities	22	0.08	0.05	0.05
ii. Other financial liabilities	19	-	-	24.57
Deferred tax liabilities (net)	16	91.92	118.87	100.68
Total non-current liabilities		**92.00**	**118.92**	**125.30**
Current liabilities				
Financial liabilities				
i. Current borrowings	17	92.07	61.70	232.89
ii. Lease liabilities	22	0.04	0.02	0.02
iii. Trade payables	18			
a) total outstanding dues to micro enterprises and small enterprises		100.79	76.78	22.01
b) total outstanding dues to creditors other than micro enterprises and small enterprises		152.07	135.63	84.54
iv. Other current financial liabilities	19	169.81	83.91	149.05
Income tax liability (net)	31	37.21	29.83	16.47
Other current liabilities	21	26.67	9.98	14.13
Current provisions	20	12.62	9.28	10.51
Total current liabilities		**591.28**	**407.13**	**529.62**
Total liabilities		**683.28**	**526.05**	**654.92**
Total equity and liabilities		**3,835.44**	**3,322.55**	**3,040.49**
Significant accounting policies	2			

The notes referred to above form an integral part of the Ind AS financial statements.

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018
Place: Bengaluru
Date: 19 July 2021

for and on behalf of Board of Directors of
S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN : 00784084
Place: Bengaluru
Date: 19 July 2021

Sanjay Thapar
CEO and Director
DIN : 01029851
Place: Bengaluru
Date: 19 July 2021

Thabraz Hushain
Company Secretary
PAN : ABVPW4613P
Place: Bengaluru
Date: 19 July 2021

Amit Kumar Garg
Chief Financial Officer
PAN : AAIPG1333L
Place: Bengaluru
Date: 19 July 2021

S.J.S. Enterprises Limited ***(formerly known as S.J.S. Enterprises Private Limited)***
Statement of Profit and Loss

(₹ in million)

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations	23	2,516.16	2,161.73
Other income	24	35.38	51.00
Total income		**2,551.54**	**2,212.73**
Expenses			
Cost of raw materials consumed	25	990.29	844.69
Changes in inventory of finished goods, work-in-progress and stores and spares	26	(18.49)	(21.07)
Employee benefits expense	27	360.68	329.05
Finance costs	28	7.77	14.90
Depreciation and amortization expense	29	147.49	127.69
Other expenses	30	422.02	373.97
Total expenses		**1,909.76**	**1,669.23**
Profit before tax		**641.78**	**543.50**
Tax expenses	31		
Current tax		191.01	111.81
Deferred tax (credit)/charge		(26.88)	18.84
Income tax expense		**164.13**	**130.65**
Profit for the year		**477.65**	**412.85**
Other comprehensive (expense)/income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurements of defined benefit plans	39	(0.30)	(2.57)
Income tax relating to items that will not be reclassified to profit or loss	31	0.07	0.65
Other comprehensive expense for the year, net of tax		**(0.23)**	**(1.92)**
Total comprehensive income for the year		**477.42**	**410.93**
Earnings per equity share (face value of ₹10 each)			
Basic and diluted *(in ₹)*	32	15.69	13.56
Significant accounting policies	2		

The notes referred to above form an integral part of the Ind AS financial statements.

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018
Place: Bengaluru
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for and on behalf of Board of Directors of
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Amit Kumar Garg
Chief Financial Officer
PAN : AAIPG1333L
Place: Bengaluru
Date: 19 July 2021

S.J.S. Enterprises Limited *(formerly known as S.J.S. Enterprises Private Limited)*

Statement of Cash Flows

(₹ in million)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities		
Profit before tax	**641.78**	**543.50**
Adjustments:		
Depreciation and amortization expense	147.49	127.69
Loss on sale and write off of property, plant and equipment, net	10.30	1.32
Dividend income	-	(30.05)
Interest income	(7.05)	(0.64)
Interest expense	7.77	14.90
Unrealised foreign exchange gain, net	(0.49)	(8.16)
Changes in fair value of financials assets	(9.43)	(0.75)
Gain on sale of investments measured at FVTPL	(18.08)	(0.79)
Loss allowances on financial assets, net	(3.95)	4.13
Provision for doubtful advances and receivables	7.84	-
Bad debt written off	1.58	1.49
Liabilities no longer required, written back	(0.28)	(3.27)
Operating cash flow before working capital changes	**777.48**	**649.37**
Changes in operating assets and liabilities		
Changes in trade receivables	(144.77)	8.47
Changes in inventories	(54.72)	(30.49)
Changes in loans	1.83	(1.71)
Changes in non-financial assets	(16.89)	(23.93)
Changes in financial assets	1.41	(1.99)
Changes in trade payables	39.77	111.11
Changes in financial liabilities	101.22	(23.09)
Changes in provisions	3.34	(1.23)
Changes in other non-financial liabilities	16.69	(4.15)
Cash generated from operations	**725.36**	**682.36**
Income tax paid, net of refund	(145.98)	(99.69)
Net cash flows generated from operating activities (A)	**579.38**	**582.67**
Investing activities		
Purchase of property, plant and equipment and intangible assets	(99.65)	(166.90)
Proceeds from sale of property, plant and equipment	2.01	0.04
Purchase of right to use asset (including changes in capital advance)	(2.39)	5.70
Payment of purchase consideration	(25.00)	(50.00)
Investment in mutual funds	(1,735.53)	(692.79)
Proceeds from sale of mutual funds	1,643.91	579.22
Investment in term deposits	(224.56)	-
Maturity of term deposits	64.62	-
Interest received on deposits	2.10	0.63
Net cash flows used in investing activities (B)	**(374.49)**	**(324.10)**
Financing activities		
Proceeds/(repayment) of short-term borrowings, net	30.37	(171.19)
Dividend paid	(121.76)	-
Interest paid	(4.54)	(10.27)
Net cash flows used in financing activities (C)	**(95.93)**	**(181.46)**
Net increase in cash and cash equivalents (A+ B+ C)	108.96	77.11
Effects of exchange gain on cash and cash equivalents	(0.45)	1.49
Cash and cash equivalents at the beginning of the year	107.61	29.01
Cash and cash equivalents at the end of the year (refer Note 12)	**216.12**	**107.61**

S.J.S. ENTERPRISES LIMITED
SJS
★ Bangalore ★

S.J.S. Enterprises Limited ***(formerly known as S.J.S. Enterprises Private Limited)***
Statement of Cash Flows

(₹ in million)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Components of cash and cash equivalents (refer Note 12)		
Cash on hand	0.22	0.26
Balance with banks		
- on current account	196.13	72.09
- in Exchange earner's foreign currency accounts	16.37	31.86
- Deposits with original maturity of less than 3 months	3.40	3.40
Cash and cash equivalents in standalone balance sheet	**216.12**	**107.61**

Reconciliation between opening and closing balance sheet for liabilities arising from financing activities:

	Opening balance 1 April 2020	Cash flows	Non- cash movment	Closing balance 31 March 2021
Short-term borrowings	61.70	30.37	-	92.07
Interest accrued but not due	0.01	(4.54)	4.53	-
Total liabilities from financing activities	**61.71**	**25.83**	**4.53**	**92.07**

Reconcilitaion between opening and closing balance sheet for liabilities arising from financing activities:

	Opening balance 1 April 2019	Cash flows	Non- cash movment	Closing balance 31 March 2020
Short-term borrowings	232.89	(171.19)	-	61.70
Interest accrued but not due	0.10	(10.27)	10.18	0.01
Total liabilities from financing activities	**232.99**	**(181.46)**	**10.18**	**61.71**

The accompanying notes are an integral part of the Ind AS financial statements.

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018
Place: Bengaluru
Date: 19 July 2021

for and on behalf of Board of Directors of
S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN : 00784084
Place: Bengaluru
Date: 19 July 2021

Sanjay Thapar
CEO and Director
DIN : 01029851
Place: Bengaluru
Date: 19 July 2021

Thabraz Hushain
Company Secretary
PAN : ABVPW4613P
Place: Bengaluru
Date: 19 July 2021

Amit Kumar Garg
Chief Financial Officer
PAN : AAIPG1333L
Place: Bengaluru
Date: 19 July 2021

S.J.S. Enterprises Limited ***(formerly known as S.J.S. Enterprises Private Limited)***
Statement of changes in equity

Equity share capital

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020
Opening Balance	304.38	304.38
Changes in equity share capital	-	-
Closing balance	**304.38**	**304.38**

Other equity

(₹ in million)

Particulars	Reserves and surplus			Items of other comprehensive income	Total
	General reserve	Securities premium	Retained earnings		
Balance as at 01 April 2019	**8.85**	**39.41**	**2,036.28**	**(3.35)**	**2,081.19**
Profit for the year	-	-	412.85	(1.92)	410.93
Total comprehensive income	-	-	**412.85**	**(1.92)**	**410.93**
Increase during the year	-	-	-	-	-
As at 31 March 2020	**8.85**	**39.41**	**2,449.13**	**(5.27)**	**2,492.12**
Profit for the year	-	-	477.65	(0.23)	477.42
Total comprehensive income	-	-	**477.65**	**(0.23)**	**477.42**
Increase during the year	-	-	-	-	-
Dividend paid during the year	-	-	(121.76)	-	(121.76)
As at 31 March 2021	**8.85**	**39.41**	**2,805.02**	**(5.50)**	**2,847.78**

Significant accounting policies ***(refer Note 2)***
The notes referred to above form an integral part of the Ind AS financial statements.

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018
Place: Bengaluru
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for and on behalf of Board of Directors of
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Amit Kumar Garg
Chief Financial Officer
PAN : AAIPG1333L
Place: Bengaluru
Date: 19 July 2021

S.J.S. Enterprises Limited *(formerly known as S.J.S. Enterprises Private Limited)*
Significant accounting policies

(1) Company overview

S.J.S Enterprises Private Limited is a Company, incorporated and domiciled in India. The Company was formed as a partnership firm in 1987 and was converted to private limited company in 2005. The Company is engaged in the business of manufacturing of decorative aesthetic products primarily for automotive and consumer appliance industry such as automotive dials, overlays, badges and logos.

Subsequent to the year end, the Company has changed its name to S.J.S. Enterprises Limited based on an approval from Registrar of Companies, Bangalore Karnataka and accordingly it has become a public limited company.

The registered office of the Company is in Kengeri, Bengaluru, Karnataka, India.

a) Statement of Compliance

These Ind AS financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules (as amended from time to time) and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended 31 March 2020 were prepared in accordance with the Companies (Accounts) Rules 2014, notified under Section 133 of the Act and other provisions of the Act ('Indian GAAP' or 'Previous GAAP').

As these are the Company's first Ind AS financial statements prepared in accordance with Indian Accounting Standards (Ind AS), the Company has adopted all the relevant Ind AS standards and the first time adoption was carried out in accordance with Ind AS 101, First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the Previous GAAP and an explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance of the Company is provided in Note 42.

These Ind AS financial statements were approved by the Board of Directors of the Company in their meeting held on 19 July 2021.

b) Basis of preparation

The Ind AS financial statements have been prepared on the historical cost convention and on an accrual basis of accounting except:

a. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations.
b. Certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.
These Ind AS financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's reporting date, 31 March 2021.

c) Functional currency and presentation

These Ind AS financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions up to two decimal places, unless otherwise mentioned.

d) Use of estimates, assumptions and judgements

The preparation of Ind AS financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent liabilities on the date of the Ind AS financial statements and the reported amount of income and expenses for the year reported . Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors that are believed to be reasonable under the circumstance. Revisions to accounting estimates are recognised in the year in which the estimates are revised, and future periods are affected.

Assumptions, judgements and estimation:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2021 is included in the following notes:

- Note 2 (m) - Lease classification;
- Note 2 (c) and Note 2 (d)- Useful life of property, plant and equipment and intangible assets;
- Note 2 (g) - Impairment of financial assets
- Note 2 (k) - Measurement of defined benefit obligations: key actuarial assumptions.
- Note 2 (o) - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

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S.J.S. ENTERPRISES LIMITED Bangalore

Impact of COVID-19 (Global Pandemic)
In March 2020, the World Health Organization declared COVID-19 to be a Pandemic. The Company adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption. The Company has evaluated the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets and liabilities and its internal financial controls. The Company has considered internal and external sources of information as of the date of approval of these Ind AS financial statements in determining the possible impact, if any, of the resurgence of the COVID-19 pandemic on the carrying amounts of its trade receivables, inventories, financial and non-financial assets. The Company has used the principle of prudence in applying judgements and making estimates. Based on this evaluation, the Company does not expect any material impact on its Ind AS financial statement. However, the eventual outcome of impact of COVID-19 pandemic may be different from those estimated as on the date of approval of these Ind AS financial statements, as the COVID-19 situation evolves in India and Globally. The Company will continue to closely monitor any material changes to future economic conditions and consequential impact on its Ind AS financial statements.

e) Current and non-current classification
The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when:
- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.•

All other liabilities are classified as non-current.
Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

f) Fair value measurement
Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:
- Note 33 and 34: financial instruments

(2) Summary of significant accounting policies

(a) Revenue recognition

Sale of goods
Revenue is recognised upon transfer of control of promised goods or services to customer in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.
Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For certain contracts

S.J.S. ENTERPRISES LIMITED

that permits the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Revenue from sale of products is recognised at the point in time when control is transferred to customer.

Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortized over the contract term as reduction in revenue

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:
Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligation in contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Scrap sales
Revenue from sale of scraps in the course of ordinary activities is measured at the fair value of the consideration received or receivable.

Trade receivables
A trade receivable is recognised if the amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section - Financial instruments – initial recognition and subsequent measurement.

Unbilled revenue
Unbilled revenue are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there are billings in excess of revenues.

Sale of services
Revenue with respect to sale of services is recognized when the services are rendered, and no significant uncertainty exists regarding the collection of consideration.

Export incentives
Government incentives are accrued for based on fulfilment of eligibility criteria for availing the incentives and when there is no uncertainty in receiving the same.

Variable consideration
If the consideration in a contract includes a variable amount, such as sales returns, discounts, etc., the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Other income
Other income comprises interest income on deposits, gain/ (losses) on disposal of financial assets and non-financial assets. It is recognised on accrual basis except where the receipt of income is uncertain.

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to:

• The gross carrying amount of the financial asset; or
• The amortised cost of the financial liability.

Dividend income is accounted when the right to receive the dividend is established, Dividend income is included under the head "Other income" in the statement of profit and loss account.

(b) Business combination
In accordance with Ind AS 103, the Company accounts for the business combinations (other than common control business combinations) using the acquisition method when control is transferred to the Company. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Goodwill:
The excess of the cost of acquisition over the Company's share in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognized as goodwill. If the excess is negative, it is considered as a bargain purchase gain. Any gain on a bargain purchase is recognized in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase. Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows.

Other intangible assets:
Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The amortisation of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated and is included in depreciation and amortisation expenses in the statements of profit and loss. The estimated useful life of amortisable intangibles are reviewed and where appropriate are adjusted, annually.

(c) Property, plant and equipment
On transition to Ind AS, the Company has elected to fair value certain items of property, plant and equipment and uses that fair value as its deemed cost at the date of transition, viz., 01 April 2019 (refer Note 3). The remaining item of property, plant and equipment are valued in accordance with Ind AS 16 - Property, plant and equipment.

Post transition to Ind AS, property, plant and equipment, excluding Freehold land are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour, any other costs directly attributable to bringing the item to working condition for its intended use and estimated costs of dismantling and removing them and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and such expenditure can be measured reliably.

Depreciation and useful lives
Depreciable amount for assets is the cost of asset less its estimated residual value. Depreciation on Property, Plant and Equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. Based on the internal technical assessment, the management believes that the useful lives as given below, which are different from those prescribed in Part C of schedule II of the Act, best represent the period over which Management expects to use these assets.

Property, Plant and Equipment	Management's estimate of useful life (in years)	Useful life as per Schedule II
Building	30	30
Electrical Installations	10	10
Plant and machineries	15	15
Furniture and fixtures	10	10
Computers	3	3
Servers	3	6
Office equipment	5	5
Vehicle	8	8

Freehold land is not depreciated. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

A property, plant and equipment is eliminated from the Ind AS Financial Statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising disposal of property, plant and equipment is recognized in the statement of profit and loss.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date classified as capital advances under other non-current assets and the cost of the assets not put to use before such date are disclosed under Capital work in progress.

(d) Intangible assets
On transition to Ind AS, the Company has valued intangible assets in accordance with Ind AS 38 - Intangible Assets.

Post transition to Ind AS, intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The useful lives of intangible assets that is considered for amortization of intangible assets are as follows:

Intangible Asset	Management's estimate of useful life (in years)
Computer Software	3
Technical Know How	3
Customer Relationship	7
Non-compete	3

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of profit and loss when the asset is derecognised.

(e) Impairment of non-financial asset

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in- use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(f) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost is used. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to sell. The comparison of cost and net realizable value is made on an item-by-item basis.
The method of determination of cost is as follows:

- Raw materials and components– on a weighted average basis
- Stores and spares – on a weighted average basis
- Work-in-progress – includes cost of conversion.
- Finished goods– includes cost of conversion.
- Goods in transit – at purchase cost

The net realizable value of work-in-progress is determined with reference to the net realizable value of related finished goods. Raw materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value. Fixed production overheads are allocated on the basis of normal capacity of production facilities. The provision for inventory obsolescence is assessed periodically and is provided as considered necessary.

(g) Financial Instruments

A. Financial assets

i) Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and liabilities are initially recognized when the Company becomes a party to contractual provisions of the instrument.

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial instrument is classified and measured at

- Amortised cost
- Fair value through other comprehensive income (FVOCI) - debt instruments;
- Fair value through other comprehensive income (FVOCI) - equity investments; or
- Fair value through profit and loss (FVTPL).

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Financial assets are not classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.
A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and

- The contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI- equity investment). This election is made on an investment-to-investment basis.

All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL:
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in profit or loss.

Financial assets at amortised cost:
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Debt investments at FVTOCI:
These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI:
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Impairment of financial assets
The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Company determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on financial assets, trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

iii) Derecognition of financial assets

A financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from financial asset or
- Retains the contractual rights to receive the cash flows from financial asset but assumed a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.
Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

S.J.S. ENTERPRISES LIMITED

B. Financial liability

i) Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost.All financial liabilities are recognized initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

ii) Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit or loss.

Amortised cost
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts
Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting
Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(h) Cash and cash equivalents
Cash and cash equivalent includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(i) Cash dividend to equity holders of the Company
The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(j) Foreign Currency transactions and translations
Foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant functional currency at exchange rates in effect at the balance sheet date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in statement of profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

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- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

(k) Employee benefits

(i) Defined contribution plan
A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(ii) Defined benefit plan
The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on plan assets above or below the discount rate is recognized as part of remeasurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

The Company's gratuity scheme is administered through a third party trust and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

(iii) Short-term employee benefits
All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefits like salaries, wages and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short term performance incentive, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the amount of obligation can be estimated reliably.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Compensated absences:
Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised at an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. In respect of compensated absences expected to occur within twelve months after the end of the period in which the employee renders the related services, liability for short-term employee benefits is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(l) Borrowing costs
Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs allocated to and utilized for qualifying assets pertaining to the period from commencement of activities directly attributable to the acquisition, construction or production of upto the date of capitalisation of such asset are added to the cost of the assets. Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are expensed in the period in which they occur.

(m) Leases
The Company has applied Ind AS 116 using the full retrospective approach, hence, the comparative information has been restated.

The Company assesses at contract inception whether a contract is, or contains, a lease, that is if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee
The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

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The Company recognises a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company applies the short-term lease recognition exemption to all assets that have a lease term of 12 months or less from the commencement date. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term. Further, leases for which the underlying asset is of low value has been recognized immediately in the Statement of Profit and Loss.

(n) Taxation

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Ind AS financial statements except for the cases mentioned below.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date.

Deferred tax is not recognized for temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realised. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Minimum alternative tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Ind AS 12 defines deferred tax to include carry forward of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement is grouped with deferred tax assets (net) in the balance sheet.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

(o) Provisions and Contingent Liabilities

(i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Expected future operating losses are not provided for.

(ii) Onerous contract

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(iii) Contingent liabilites

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

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(p) Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increase loss per share are included. The Company does not have any dilutive equity shares.

(q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Company has identified one reportable segment based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The CODM monitors the operating results of the entity as a whole for the purpose of making decisions about resource allocation and performance assessment. Refer Note 40 for segment information and segment reporting.

(r) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(s) First-time adoption of Ind AS

Overall Principle:

The Company has prepared opening balance sheet as per Ind AS as of 01 April 2019 (transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous Indian GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement for recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

(i) Deemed cost for Property, plant and equipment:

As permitted by Ind AS 101, the Company has elected to fair value its freehold land and uses that fair value as its deemed cost at the date of transition, viz,, 01 April 2019. With respect to the remaining item of property, plant and equipment and intangible assets, the Company has elected to value them in accordance with Ind AS 16 and Ind AS 38 respectively.

(ii) Past business combinations:

The Company has elected to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the Ind AS transition date of 01 April 2019, from 01 April 2018. Consequently,

(a) The Company has kept the same classification for the past business combinations, for business acquisitions prior to 01 April 2018, as in its previous GAAP financial statements;

(b) For business combinations taking place between 01 April 2018 to 01 April 2019 (date of transition), the Company has recognised assets and liabilities that were not recognised in accordance with previous GAAP in the balance sheet of the Company and would qualify for recognition in accordance with Ind AS;

(iii) Leases:

1. Company chose to assess whether a contract contains a lease on the basis of facts and circumstances existing as at transition date (instead of lease inception date).

2. As at the date of transition to Ind AS, Company chose to apply on a lease-by-lease basis:

(a) apply a single discount rate to a portfolio of leases with reasonably similar characteristics

(b) elect not to recognize ROU and lease liability for leases whose term ends within 12 months of the date of transition or underlying asset is of low value

(c) exclude initial direct costs from the measurement of the right-of-use asset at the date of transition to Ind AS.

(d) use hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

(iv) Derecognition of financial assets and liabilities:

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 01 April 2019 (the transition date).

(v) Impairment of financial assets:

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

(vi) Defined benefit plans:

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

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(t) Recent Indian Accounting Standards (Ind-AS)

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 01 April 2021. Key amendments relating to Division II which relate to companies whose Ind AS financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the Ind AS financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

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3 Property, plant and equipment

(₹ in million)

Particulars	Freehold Land**	Building	Electrical installations	Plant and machineries	Furniture and fixtures	Computers (including servers)	Office equipment	Vehicles	Total	Capital work-in-progress
Cost or Deemed Cost*										
Balance as at 01 April 2019	**278.10**	**500.98**	**142.58**	**843.06**	**20.52**	**13.72**	**44.82**	**22.29**	**1,866.07**	**1.82**
Additions	-	6.83	0.03	126.43	5.22	1.18	0.47	11.20	151.36	0.64
Deletions	-	-	-	(1.62)	-	-	(0.19)	(0.01)	(1.82)	-
As at 31 March 2020	**278.10**	**507.81**	**142.61**	**967.87**	**25.74**	**14.90**	**45.10**	**33.48**	**2,015.61**	**2.46**
Additions	-	-	-	46.57	4.68	1.86	2.39	11.68	67.18	40.06
Deletions	-	-	(8.18)	(32.76)	(2.38)	(0.53)	(2.20)	(7.59)	(53.64)	-
As at 31 March 2021	**278.10**	**507.81**	**134.43**	**981.68**	**28.04**	**16.23**	**45.29**	**37.57**	**2,029.15**	**42.52**
Accumulated depreciation*										
Balance as at 01 April 2019	-	**33.52**	**19.58**	**324.69**	**7.39**	**7.02**	**12.89**	**9.16**	**414.25**	-
Depreciation for the year	-	15.94	12.80	69.35	1.47	2.98	7.81	3.65	114.00	
Depreciation on deletions	-	-	-	(0.31)	-	-	(0.16)	-	(0.47)	-
As at 31 March 2020	-	**49.46**	**32.38**	**393.73**	**8.86**	**10.00**	**20.54**	**12.81**	**527.78**	-
Depreciation for the year	-	16.02	12.88	88.61	1.99	2.88	7.86	3.44	133.68	-
Depreciation on deletions	-	-	(7.77)	(23.84)	(1.97)	(0.50)	(2.07)	(5.18)	(41.33)	-
As at 31 March 2021	-	**65.48**	**37.49**	**458.50**	**8.88**	**12.38**	**26.33**	**11.07**	**620.13**	-
Net carrying amount*										
As at 01 April 2019#	278.10	467.46	123.00	518.37	13.13	6.70	31.93	13.13	1,451.82	1.82
As at 31 March 2020	278.10	458.35	110.23	574.14	16.88	4.90	24.56	20.67	1,487.83	2.46
As at 31 March 2021	**278.10**	**442.33**	**96.94**	**523.18**	**19.16**	**3.85**	**18.96**	**26.50**	**1,409.02**	**42.52**

**Refer note 42A(i)*

**The Company has elected to measure its freehold land at fair value as its deemed cost on the transition date to Ind AS i.e. 01 April 2019 (read along with note 38).

Refer note 17(i)

165

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4 **Intangible assets**

(₹ in million)

Particulars	Goodwill ** (A)	Other intangible assets					Total (A+B)
		Software	Technical Know-how	Customer relationship**	Non-compete**	Total (B)	
Cost or Deemed Cost*							
Balance as at 01 April 2019	**39.51**	**21.12**	**2.92**	**37.56**	**12.20**	**73.80**	**113.31**
Additions	-	1.58	-	-	-	1.58	1.58
As at 31 March 2020	**39.51**	**22.70**	**2.92**	**37.56**	**12.20**	**75.38**	**114.89**
Additions	-	0.72	-	-	-	0.72	0.72
As at 31 March 2021	**39.51**	**23.42**	**2.92**	**37.56**	**12.20**	**76.10**	**115.61**
Accumulated amortization							
As at 01 April 2019	**-**	**11.77**	**2.92**	**4.92**	**3.73**	**23.34**	**23.34**
Amortization for the year	-	3.90	-	5.37	4.06	13.33	13.33
As at 31 March 2020	**-**	**15.67**	**2.92**	**10.29**	**7.79**	**36.67**	**36.67**
Amortization for the year	-	4.02	-	5.37	4.06	13.45	13.45
As at 31 March 2021	**-**	**19.69**	**2.92**	**15.66**	**11.85**	**50.12**	**50.12**
Net carrying amount							
As at 01 April 2019	39.51	9.35	-	32.64	8.47	50.46	89.97
As at 31 March 2020	39.51	7.03	-	27.27	4.41	38.71	78.22
As at 31 March 2021	**39.51**	**3.73**	**-**	**21.90**	**0.35**	**25.98**	**65.49**

**Refer note 42A(i)*
***Refer note 41 and 42*

The recoverable amount of a cash-generating unit (CGU) is the higher of its fair value less costs of disposal and its value in use. The Company is expected to benefit from the synergies of the business acquisition and the Company is considered as a single CGU. For the purpose of determining fair value of a CGU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

As of 31 March 2021 and 31 March 2020, the estimated recoverable amount of the CGU exceeded its carrying amount, hence no impairment is triggered.

5 Loans
Carried at amortised cost

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Non-current			
Unsecured, considered good			
Security deposit [refer Note 42 D(iv)]	7.87	9.78	8.05
	7.87	**9.78**	**8.05**
Current			
Unsecured, considered good			
Loans to employees	0.95	0.74	0.91
Security deposit [refer Note 42 D(iv)]	0.73	0.86	0.71
	1.68	**1.60**	**1.62**

6 Other financial assets

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Non-current			
Unsecured, considered good			
Margin money deposits*	0.10	0.10	0.10
	0.10	**0.10**	**0.10**
Current			
Unsecured, considered good			
Interest accrued on fixed deposit	3.05	0.09	0.08
Export incentives receivables	0.58	1.99	-
	3.63	**2.08**	**0.08**

* Margin money provided as guarantee for Gurgaon Warehouse to Value Added Tax and Central Sales Tax Department.

7 Income tax assets (net)

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Non - current			
Advance tax and tax deducted at source, net of provision for tax [refer Note 31(d)]	16.36	54.83	54.48
	16.36	**54.83**	**54.48**

8 Other assets

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Non - current			
Unsecured, considered good			
Capital advances (refer note c)	17.35	56.01	68.75
Other advances			
- Prepaid gratuity (refer note 39)	2.69	5.30	2.17
- Prepaid compensated absences (refer note 39)	0.53	-	-
Indirect tax paid under protest	-	3.00	3.00
Receivables from government authorities	10.57	15.41	15.41
	31.14	79.72	89.33
Unsecured, considered doubtful			
Indirect tax paid under protest	3.00	-	-
Less: Provision (refer note a)	(3.00)	-	-
	-	-	-
Receivables from government authorities	4.84	-	-
Less: Provision (refer note b)	(4.84)	-	-
	-	-	-
	31.14	**79.72**	**89.33**

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8 Other assets (continued)

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Current			
Unsecured, considered good			
Prepaid expenses	17.88	6.53	3.76
Balances with government authorities	1.29	4.40	0.58
Advance to suppliers	32.00	19.95	14.34
Other advances			
- Prepaid gratuity (refer note 39)	6.99	6.67	4.05
- Prepaid compensated absences (refer note 39)	1.44	3.40	-
Others	0.26	0.21	0.21
	59.86	**41.16**	**22.94**

a) The provision pertains to payment made to Central Excise Department under protest.

b) Bangalore Metro Rail Corporation Limited (BMRCL) has acquired a portion of the freehold land for an agreed compensation of ₹15.41 million (including tax deducted at source). On the above land, one of the female legal heir of the erstwhile owner of the freehold land has raised an allegation for separate possession of certain portion of the freehold land (Also refer note 38).

On account of the dispute, the acquisition compensation amount has been deposited by BMRCL in the Court till the final settlement. During the year, the Company has made a total provision of INR 4.84 million primarily towards the female legal heir share of claim.

c) Pursuant to a memorandum of understanding ('MOU") dated 8 April 2010, the Company had paid an advanced money of ₹ 15.00 million for lease of four acres of land for construction of a new factory covering 150,000 square feet for a period of 20 years. Subsequently, the land could not be converted to Industrial land due to conversion restriction from the civic authority. Consequently, the Company has requested for refund of the advance amount due to failure to satisfaction of the terms of the MoU. On non-receipt of the advance amount, the Company filed Suit in the Court of the City Civil and Sessions Judge, Mayo Hall, Bangalore during the year ended 31 March 2011. The matter is currently pending in the court for further hearing.

9 Inventories (Valued at lower of cost and net realizable value)

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Raw materials (refer note (a) and (b))	172.35	136.12	126.70
Work-in-progress	51.76	48.69	13.83
Finished goods (refer note (b))	101.96	85.79	103.07
Stores and spares	6.28	7.03	3.54
	332.35	**277.63**	**247.14**

(a) Including goods in transit as on 31 March 2021 ₹43.02 million (31 March 2020 ₹25.48 million , 01 April 2019 ₹11.44 million)

(b) Value of inventories above is stated after provisions ₹42.62 million (31 March 2020: ₹14.33 million, 01 April 2019: Nil) for write-downs to net realisable value and provision for slow-moving and obsolete items.

10 Current Investments

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Investment in Mutual funds - Unquoted*	814.66	695.55	550.39

Carried at fair value through statement of profit and loss (FVTPL)

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Mutual Fund held in liquid mutual fund units			
Nil units (31 March 2020: Nil unit; 01 April 2019: 405,694.32 units) in Birla Sun Life Cash Plus	-	-	40.67
Nil units (31 March 2020: Nil unit; 01 April 2019: 401,780.06 units) in ICICI Prudential Liquid Fund	-	-	40.25
Nil units (31 March 2020: Nil unit; 01 April 2019: 20,066.08 units) in Axis liquid Fund	-	-	20.09
Nil units (31 March 2020: Nil unit; 01 April 2019: 38,353.67 units) Reliance Liquid Fund Treasury Plan	-	-	58.66
Nil units (31 March 2020: Nil unit; 01 April 2019: 31,625.85 units) in UTI Liquid cash plan	-	-	31.73
Nil units (31 March 2020: Nil unit; 01 April 2019: 401,752.62 units) Aditya Birla Sun Life Savings Fund	-	-	40.29
117,486.89 units (31 March 2020: 111,079.49, 01 April 2019: Nil unit) in Aditya Birla Sun Overnight Fund - Reg - Growth	130.36	119.77	-

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10 Current Investments (continued)

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Mutual Fund held in liquid mutual fund units (continued)			
Nil units (31 March 2020: 43,449.87 units; 01 April 2019:Nil unit) in Kotak Overnight Fund - Growth	-	46.28	-
6519.92 units (31 March 2020: 12,492.62 units, 01 April 2019: Nil unit) in SBI Magnum Overnight Fund - Growth	21.64	40.28	-
12,309.15 units (31 March 2020: 12,218.21 units, 01 April 2019: Nil unit) in UTI Overnight Fund Growth	34.39	33.14	-
104,687.4 units (31 March 2020: Nil unit , 01 April 2019: Nil unit) in Axis Overnight Fund - Reg - Growth	113.75	-	-
30,477.46 units (31 March 2020: Nil unit , 01 April 2019: Nil unit) in HDFC Overnight Fund - Reg - Growth	92.66	-	-
1,005,205.37 units (31 March 2020: Nil unit, 01 April 2019: Nil unit) in Nippon India Overnight Fund - Reg - Growth	110.80	-	-
Mutual Fund held in arbitrage mutual fund units			
5,556,827.67 units (31 March 2020: Nil unit, 01 April 2019: Nil unit) in Kotak Equity Arbitrage Fund - Reg - Growth	161.44	-	-
7,183,204.63 units (31 March 2020: Nil unit, 01 April 2019: Nil unit) in Nippon India Arbitrage Fund - Reg - Growth	149.62	-	-
Nil units (31 March 2020: 10,263,288.06; 01 April 2019: 4,650,682) in Kotak Equity Arbitrage Fund	-	109.74	49.80
Nil units (31 March 2020: 8,292,906.5; 01 April 2019: 7,885,754) in ICICI Prudential Equity Arbitrage Fund	-	113.40	107.41
Nil units (31 March 2020: 21,829,791.38 units; 01 April 2019: 15,197,299 units) in Reliance Arbitrage Advantage Fund	-	232.94	161.49
Aggregate amount of unquoted investment and market value, thereof	**814.66**	**695.55**	**550.39**

**Information about the Company's exposure to credit and market risks, and fair value measurement is included in Note 33 & Note 34.*

11 Trade receivables

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Current			
Unsecured			
Considered good	597.30	448.26	457.66
Considered doubtful	1.27	5.22	1.09
	598.57	**453.48**	**458.75**
Less: Impairment allowance	(1.27)	(5.22)	(1.09)
Net trade receivables	**597.30**	**448.26**	**457.66**

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables is disclosed in Note 34.

12 Cash and cash equivalents

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Balances with banks:			
- in current accounts	196.13	72.09	19.35
- in Exchange earner's foreign currency accounts	16.37	31.86	6.07
- Deposits with original maturity of less than 3 months	3.40	3.40	3.40
Cash on hand	0.22	0.26	0.19
	216.12	**107.61**	**29.01**

13 Bank balance other than cash and cash equivalents

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Current			
Other bank balances			
In deposit accounts (with original maturity of more than 3 months but less than 12 months)	159.94	-	-
	159.94	**-**	**-**

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14 Share capital

(₹ *in million*)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Authorised			
Equity shares			
35,000,000 (31 March 2020- 31,000,000; 01 April 2019- 31,000,000) equity shares of ₹10 each	350.00	310.00	310.00
	350.00	**310.00**	**310.00**

During the year ended 31 March 2021, the Company vide its resolution dated 11 March 2021 has increased their authorised share capital by ₹40 million.

Issued, subscribed and fully paid-up

(₹ *in million*)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Equity share			
30,437,904 (31 March 2020- 30,437,904; 01 April 2019- 30,437,904) equity shares of ₹10 each	304.38	304.38	304.38
	304.38	**304.38**	**304.38**

(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

(₹ *in million*)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the beginning of the year	3,04,37,904	304.38	3,04,37,904	304.38
Issued during the year	-	-	-	-
At the end of the year	**3,04,37,904**	**304.38**	**3,04,37,904**	**304.38**

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 each. All equity shares carry similar voting rights of 1:1 and similar dividend rights. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company:

Particulars	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
	Number of shares	%	Number of shares	%	Number of shares	%
Equity shares of ₹10 each fully paid up held by:						
Evergraph Holdings Pte. Ltd.	2,37,00,000	77.86%	2,37,00,000	77.86%	2,37,00,000	77.86%

(d) Details of shareholders holding more than 5% shares of a class of shares in the Company: -

Particulars	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
	Number of shares	% holding in the class	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of ₹10 each fully paid up held by:						
Evergraph Holdings Pte. Ltd.	2,37,00,000	77.86%	2,37,00,000	77.86%	2,37,00,000	77.86%
K.A.Joseph	63,11,960	20.74%	63,11,960	20.74%	63,11,960	20.74%

(e) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

During the financial year ended 31 March 2017, the Company had allotted 27,000,000 bonus shares of ₹10 each at par to then existing shareholders in the proportion of 9 equity shares of ₹10 each for one equity share held by them by capitalisation of surplus. No shares have been bought back, or issued for consideration other than cash during the five years immediately preceding the financial year other than above.

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15 Other equity

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Securities premium account [Refer Note (a)]	39.41	39.41	39.41
Retained earnings [Refer Note (b)]	2,805.02	2,449.13	2,036.28
General reserve [Refer Note (c)]	8.85	8.85	8.85
Other comprehensive income [Refer Note (d)]	(5.50)	(5.27)	(3.35)
	2,847.78	**2,492.12**	**2,081.19**

Particulars	As at 31 March 2021	As at 31 March 2020
a) Securities premium account		
Opening balance	39.41	39.41
Increase during the year	-	-
Closing balance	**39.41**	**39.41**
b) Retained earnings		
Opening balance	2,449.13	2,036.28
Profit for the year	477.65	412.85
Dividend paid	(121.76)	-
Closing balance	**2,805.02**	**2,449.13**
c) General reserve		
Opening balance	8.85	8.85
Increase during the year	-	-
Closing balance	**8.85**	**8.85**
d) Other comprehensive income		
Remeasurement of net defined benefit liability or asset		
Opening balance	(5.27)	(3.35)
Increase during the year	(0.23)	(1.92)
Closing balance	**(5.50)**	**(5.27)**

Nature and purpose of other reserves

a) Securities premium account:
Securities premium account has been created consequent to issue of shares at premium. The reserve can be utilised in accordance with the provisions of the Companies Act 2013.

b) Retained earnings:
Retained earnings comprises of prior and current year's undistributed earnings/accumulated losses after tax. During the year, the Company has paid an interim divided of ₹121.76 million from retained earnings. The interim dividend of ₹4 per share was approved at the board meeting held on 30 September 2020.

c) General reserve:
General reserve has been created consequent to payment of dividend, in accordance with the provisions of the applicable Companies Act declared at the time of dividend.

d) Other comprehensive income:
Differences between the interest income on plan assets and the return actually achieved and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other equity' as other comprehensive income net of taxes.

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140

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16 Deferred tax liabilities (net)*

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Deferred tax liabilities			
Property, plant and equipment and intangible assets	130.53	134.44	140.89
Prepaid expense	3.47	0.77	0.21
Prepaid gratuity	2.44	3.01	1.81
Prepaid compensated absences	0.50	0.86	-
Fair value impact on investment in mutual fund	2.37	-	-
Total deferred tax liabilities (A)	**139.31**	**139.08**	**142.91**
Deferred tax assets			
Provision for inventory obsolescence	10.73	3.61	-
Provision for compensated absences	-	-	0.30
Provision for bonus	3.84	-	4.34
Lease liability, net**	-	-	-
Loss allowances on financial assets, net	0.32	1.31	0.32
Provision for doubtful advances and receivables	1.97	-	-
Due on account of business acquisition	-	6.20	20.60
Discount payable and provision for sales return and claims	30.53	9.09	16.67
Total deferred tax asset (B)	**47.39**	**20.21**	**42.23**
Net deferred tax liabilities (A-B)	**91.92**	**118.87**	**100.68**

**Refer Note 31(f)*
**The amount are less than ₹ 0.01 million and hence disclosed as (-)

17 Borrowings

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Current			
Secured loan			
Loan from bank repayable on demand			
Working Capital Loan(refer (i))	-	-	130.00
Unsecured loan			
From bank			
Bill discounting facility from bank (refer (ii))	92.07	61.70	102.89
Total current borrowings	**92.07**	**61.70**	**232.89**

(i) The working capital demand loans from Citi Bank carry interest at 9.50% per annum, computed on a monthly basis on the actual amount utilized, and are repayable on demand. These are secured by pari passu charge on movable and immovable property of the Company. The loan has been repaid during the year ended 31 March 2020.

(ii) The Company has availed bill discounting facility (with recourse) from State Bank of India which carries interest between 6.75% to 7.10% per annum (31 March 2020: 7.60% to 8.45% per annum) and is payable within 45 days from the date of discounting of bills.

(iii) Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 34

18 Trade payables

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Total outstanding dues of micro enterprises and small enterprises (refer (ii))	100.79	76.78	22.01
Total outstanding dues of creditors other than micro enterprises and small enterprises	152.07	135.63	84.54
	252.86	**212.41**	**106.55**

Terms and conditions of above trade payables:
(i) For explanation of Company's credit risk management - refer Note 34
(ii) Disclosure required under Clause 22 of Micro, Small and Medium Enterprises Development Act, 2006 - refer below note.

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18 Trade payables (continued)

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:			
Principal amount due to micro and small enterprises.	100.79	76.78	22.01
Interest due on the above.	-	-	-
(i) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.*	405.13	261.21	96.41
(ii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-	-
(iii) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
(iv) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-	-

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/ supplier.

* denotes principle paid

19 Other financial liabilities

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Non-current			
Due on account of business acquisition [refer Note 41]	-	-	24.57
	-	**-**	**24.57**
Current			
Interest accrued			
Interest accrued but not due on borrowings	-	0.01	0.10
Others			
Employee related liabilities	40.47	21.05	23.23
Retention money	0.30	0.55	6.49
Due on account of business acquisition [refer Note 41]	-	24.57	46.17
Capital creditors	20.42	10.91	25.33
Discount payable	108.62	26.82	47.73
	169.81	**83.91**	**149.05**

Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 34

20 Provisions

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Current			
Provision for compensated absences	-	-	1.04
*Others**			
Provision for claim	2.21	0.25	2.20
Provision for return	10.41	9.03	7.27
	12.62	**9.28**	**10.51**

*This represents provision made for expected sales returns and claim by the customers. Revenue is adjusted for the expected value of return and claims. It is expected to be utilised within 12 months from the end of the year. The provision is based on estimates made of historical data.

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20 Provisions (continued)

Movement in other provisions for the year ended 31 March 2021

(₹ in million)

Particulars	As at 31 March 2020	Provision made during the year	Provision utilised during the year	Provision reversed during the year	As at 31 March 2021
Provision for claim	0.25	2.21	(0.25)	-	**2.21**
Provision for return	9.03	10.41	(4.44)	(4.59)	**10.41**
	9.28	**12.62**	**(4.69)**	**(4.59)**	**12.62**

Movement in other provisions for the year ended 31 March 2020

(₹ in million)

Particulars	As at 01 April 2019	Provision made during the year	Provision utilised during the year	Provision reversed during the year	As at 31 March 2020
Provision for claim	2.20	0.25	(0.85)	(1.35)	**0.25**
Provision for return	7.27	9.03	(6.07)	(1.20)	**9.03**
	9.47	**9.28**	**(6.92)**	**(2.55)**	**9.28**

21 Other liabilities

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Current			
Statutory dues payable	20.50	3.39	14.12
Advance from customers	4.00	5.46	0.01
Liability for CSR Contribution [refer Note 37]	2.17	1.13	-
	26.67	**9.98**	**14.13**

22 Leases

The Company has recognised right-of-use assets and lease liabilities as below:

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Right of use assets – land	77.40	35.72	36.08
Lease liabilities			
Non-current	0.08	0.05	0.05
Current	0.04	0.02	0.02

When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its incremental borrowing rate at date of commencement of lease. The weighted-average rate considered is 8.70% p.a.

Right-of-use assets: The details of the right-of-use asset held by the Company is as follows:

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	35.72	36.08
Depreciation charge for the year	(0.36)	(0.36)
Additions to right of use asset*	42.04	-
Closing balance	**77.40**	**35.72**

The Company has certain warehouse and guest house on lease with contract terms of less than one year. These leases are classified as short-term. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

*During the year, the Company has entered into a lease cum sale agreement with Karnataka Industrial Area Development Board (KIADB) for 2 acres of land for a period of 15 years . As per the lease cum sale agreement, the KIADB shall sell the land to the Company on the completion of 15 years, upon lessee performing all the conditions mentioned in the agreement and committed no breach thereof. Management expects that all the conditions stipulated in the agreement will be fulfilled and management has intention to buy the land at the end of 15 years. Accordingly, no depreciation has been charged on land taken on lease from KIADB.

22 Leases (continued)

Amounts recognised in statement of profit or loss:

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on lease liabilities*	-	-
Expenses relating to short-term leases	2.47	2.05
	2.47	**2.05**

* The amount are less than INR 0.01 million and hence disclosed as (-)

Amounts recognised in statement of cashflows:
During the year, the Company had a cash outflow of ₹2.39 million for right-of-use asset (Cash inflow during 31 March 2020 on account of refund of capital advance: ₹5.7 million).
During the year, for short term leases the Company had a cash outflow of ₹2.47 million (31 March 2020: ₹2.05 million). No payment of principle and interest of lease liability was made during the year.

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021, 31 March 2020 and 01 April 2019.

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Less than one year	0.04	-	-
one to five years	0.04	0.05	0.04
more than five years	0.41	0.38	0.39
Less: Imputed interest	(0.37)	(0.36)	(0.36)
	0.12	**0.07**	**0.07**

140

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23 Revenue from operations

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from contract with customers		
Sale of products	2,477.69	2,131.47
Sale of services	29.46	22.14
Other operating revenues:		
Export incentive benefit	3.82	3.33
Scrap sales	5.19	4.79
Gross revenue from operations	**2,516.16**	**2,161.73**

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue as per contract price	2,578.78	2,153.07
Reduction towards discount	(95.27)	(13.77)
Reduction towards sales return	(5.82)	(7.83)
Revenue from contract with customers	**2,477.69**	**2,131.47**

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially satisfied) performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving event based contracts.

Contract balances

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Trade receivables	597.30	448.26	457.66
Advance from customers	4.00	5.46	0.01

24 Other income

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income:		
On deposits with bank	4.44	0.17
On income tax refund	1.99	-
On others	0.62	0.47
Dividend income	-	30.05
Other non-operating income:		
Fair value gain on current investment measured at FVTPL	9.43	0.75
Gain on sale of current investments measured at FVTPL	18.08	0.79
Net gain on foreign currency transactions	-	14.85
Liabilities no longer required, written back	0.28	3.27
Miscellaneous	0.54	0.65
	35.38	**51.00**

25 Cost of raw material consumed

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Inventory of materials at the beginning of the year #	136.12	126.70
Add: Purchases	1,026.52	854.11
Less: Inventory of materials at the end of the year#	172.35	136.12
	990.29	**844.69**

Net of provision for obsolescence

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26 Changes in inventory of finished goods, work-in-progress and stores and spares

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening stock		
Finished goods	85.79	103.07
Stores and spares	7.03	3.54
Work-in-progress	48.69	13.83
	141.51	**120.44**
Closing stock		
Finished goods	101.96	85.79
Stores and spares	6.28	7.03
Work-in-progress	51.76	48.69
	160.00	**141.51**
Changes in inventory of finished goods, work-in-progress and stores and spares	**(18.49)**	**(21.07)**

27 Employee benefits expense

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	300.91	266.87
Expense related to post-employment benefit plans-gratuity	6.99	6.67
Expenses related to compensated absences	1.44	3.64
Contribution to provident fund and others	12.16	12.50
Staff welfare expenses	39.18	39.37
	360.68	**329.05**

28 Finance costs

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense on:		
Short term borrowings	4.53	10.18
Income tax	2.81	0.89
Other financial liability	0.43	3.83
Lease liabilities *	-	-
	7.77	**14.90**

* The amount's are less than INR 0.01 million and hence disclosed as (-)

29 Depreciation and amortisation expense

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment (refer Note 3)	133.68	114.00
Amortisation of intangible assets (refer Note 4)	13.45	13.33
Amortisation of Right of use assets (refer Note 22)	0.36	0.36
	147.49	**127.69**

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30 Other expenses

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Subcontracting charges	163.00	134.82
Power and fuel	51.77	56.74
Freight charges	38.33	29.67
Repairs and maintenance		
- plant and machinery	29.90	29.57
- building	2.51	1.18
- others	5.37	6.06
Rent [refer Note 22]	2.47	2.05
Legal and professional [refer Note (a) & (b) below]	37.86	32.28
Rates and taxes	7.74	5.75
Travel and conveyance	6.86	13.78
Housekeeping charges	17.45	18.90
Corporate social responsibility [refer Note 37]	11.79	12.39
Sales promotion expenses	8.88	8.12
Insurance	7.41	5.19
Printing and stationery	4.35	3.54
Bank charges	4.92	2.92
Communication	1.82	1.85
Loss on sale and write off of property, plant and equipment, net	10.30	1.32
Bad debts written-off	1.58	1.49
Loss allowances on financial assets, net	(3.95)	4.13
Provision for doubtful advances and receivables	7.84	-
Donation	0.04	0.11
Net loss on foreign currency transactions	1.39	-
Miscellaneous	2.39	2.11
	422.02	**373.97**

(a) Payment to auditors:

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
As auditor:		
Audit fee	3.90	2.00
Tax audit fee	0.20	0.20
Reimbursement of expenses	0.10	0.17
	4.20	**2.37**

(b) Refer Note 36 for transactions with related parties.

31 Income tax

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
a) Amount recognised in the statement of profit or loss		
Current tax	191.01	111.81
Deferred tax charge/ (credit)	(26.88)	18.84
Income tax expense reported in the statement of profit or loss	**164.13**	**130.65**
b) Income tax recognised in other comprehensive income		
On re-measurement of defined benefit obligation	(0.07)	(0.65)
Income tax charges to OCI	**(0.07)**	**(0.65)**

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31 Income tax (continued)

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
c) Reconciliation of tax expense and tax based on accounting profit:		
Profit before income tax expense	641.78	543.50
Tax at the Indian tax rate of 25.17% (2020: 25.17%)	161.54	136.80
Tax effect of:		
Expenditure for which deduction is not allowed under Income Tax Act,1961	3.03	3.16
Tax effect on donation	0.01	(1.22)
Change in tax rate for future period considered for deferred tax	-	(6.21)
Lower tax rate on capital gains	(0.65)	(6.30)
Other deductions	0.20	4.42
Income tax expense	**164.13**	**130.65**

d) The following table provides the details of income tax liabilities and assets as of 31 March 2021, 31 March 2020 and 01 April 2019:

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Non current			
Income tax asset	16.36	54.83	54.48
Current			
Current income tax liabilities	37.21	29.83	16.47
Net income tax (liability)/asset at the end	**(20.85)**	**25.00**	**38.01**

e) The gross movement in the income tax (liability)/asset for the year ended 31 March 2021 and 31 March 2020 is as follows:

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net income tax asset at the beginning	25.00	38.01
Current income tax expense	(191.01)	(111.81)
Interest on income tax	(2.81)	(0.89)
Income tax paid (including interest)	183.07	99.69
Refund received (including interest)	(37.09)	-
Interest income on tax refund	1.99	-
Net income tax (liability)/asset at the end	**(20.85)**	**25.00**

f) Deferred tax
For the year ended 31 March 2021

(₹ in million)

Particulars	As at 31 March 2020	Recognised in Other Comprehensive Income	Recognised in Statement of Profit and Loss	As at 31 March 2021
Deferred tax liability				
Property, plant and equipment and intangible assets	134.44	-	(3.91)	130.53
Prepaid expense	0.77	-	2.70	3.47
Fair value impact on investment in mutual fund	-	-	2.37	2.37
Prepaid gratuity	3.01	(0.07)	(0.50)	2.44
Prepaid compensated absences	0.86	-	(0.36)	0.50
	139.08	**(0.07)**	**0.30**	**139.31**
Deferred tax asset				
Provision for inventory obsolescence	3.61	-	7.12	10.73
Provision for bonus	-	-	3.84	3.84
Lease liability, net**	-	-	-	-
Loss allowances on financial assets, net	1.31	-	(0.99)	0.32
Provision for doubtful advances and receivables	-	-	1.97	1.97
Due on account of business acquisition	6.20	-	(6.20)	-
Discount payable and provision for sales return and claims	9.09		21.44	30.53
	20.21	-	**27.18**	**47.39**
Deferred tax liability, net	**118.87**	**(0.07)**	**(26.88)**	**91.92**

* The amount are less than ₹0.01 million and hence disclosed as (-)

31 Income tax (continued)

For the year ended 31 March 2020

(₹ in million)

Particulars	As at 01 April 2019	Recognised in Other Comprehensive Income	Recognised in Statement of Profit and Loss	As at 31 March 2020
Deferred tax liability				
Property, plant and equipment and intangible assets	140.89	-	(6.45)	134.44
Prepaid expense	0.21	-	0.56	0.77
Prepaid gratuity	1.81	(0.65)	1.85	3.01
Prepaid compensated absences	-	-	0.86	0.86
	142.91	**(0.65)**	**(3.18)**	**139.08**
Deferred tax asset				
Provision for inventory obsolescence	-	-	3.61	3.61
Provision for compensated absences	0.30	-	(0.30)	-
Provision for bonus	4.34	-	(4.34)	-
Lease liability, net**	-	-	-	-
Loss allowances on financial assets, net	0.32	-	0.99	1.31
Due on account of business acquisition	20.60	-	(14.40)	6.20
Discount payable and provision for sales return and claims	16.67	-	(7.58)	9.09
	42.23	**-**	**(22.02)**	**20.21**
Deferred tax liability, net	**100.68**	**(0.65)**	**18.84**	**118.87**

* The amount are less than ₹0.01 million and hence disclosed as (-)

32 Earnings per share ['EPS']

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Reconciliation of earnings		
Profit after tax attributable to equity holders of the Company (a)	477.65	412.85
Total profit for the year	**477.65**	**412.85**
Reconciliation of basic and diluted shares used in computing earnings per share :		
Weighted average number of shares outstanding during the year for basic EPS (b)	3,04,37,904	3,04,37,904
Weighted average number of shares outstanding during the year for diluted EPS (c)	3,04,37,904	3,04,37,904
Earnings per share :		
Basic Earning per share (in ₹) (a/b)	15.69	13.56
Diluted Earning per share (in ₹) (a/c)	15.69	13.56

33 Financial instruments - fair values and risk management

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their level of fair value hierarchy:

Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

The following table shows the carrying amounts of financial assets and financial liabilities as at 31 March 2021:

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31 March 2021	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans	9.55	-	-	-	-
Trade receivables	597.30	-	-	-	-
Cash and cash equivalents	216.12	-	-	-	-
Bank balance other than cash and cash equivalents	159.94	-	-	-	-
Other financial assets	3.73	-	-	-	-
Financial assets measured at Fair Value					
Investment in mutual funds	814.66	-	814.66	-	814.66
Total financial assets	**1,801.30**	**-**	**814.66**	**-**	**814.66**
Financial liabilities measured at amortised cost					
Lease liabilities	0.12	-	-	-	-
Borrowings	92.07	-	-	-	-
Trade payables	252.86	-	-	-	-
Other financial liabilities	169.81	-	-	-	-
		-	-	-	-
Total financial liabilities	**514.86**	**-**	**-**	**-**	**-**

The following table shows the carrying amounts of financial assets and financial liabilities as at 31 March 2020:

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31 March 2020	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans	11.38	-	-	-	-
Trade receivables	448.26	-	-	-	-
Cash and cash equivalents	107.61	-	-	-	-
Bank balance other than cash and cash equivalents	-	-	-	-	-
Other financial assets	2.18	-	-	-	-
Financial assets measured at fair value					
Investment in mutual funds	695.55	-	695.55	-	695.55
Total financial assets	**1,264.98**	**-**	**695.55**	**-**	**695.55**
Financial liabilities measured at amortised cost					
Lease liabilities	0.07	-	-	-	-
Borrowings	61.70	-	-	-	-
Trade payables	212.41	-	-	-	-
Other financial liabilities	83.91	-	-	-	-
Total financial liabilities	**358.09**	**-**	**-**	**-**	**-**

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33 Financial instruments - fair values and risk management (continued)

The following table shows the carrying amounts of financial assets and financial liabilities as at 01 April 2019:

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	01 April 2019	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans	9.67	-	-	-	-
Trade receivables	457.66	-	-	-	-
Cash and cash equivalents	29.01	-	-	-	-
Bank balance other than cash and cash equivalents	-	-	-	-	-
Other financial assets	0.18	-	-	-	-
Financial assets measured at fair value					
Investment in mutual funds	550.39	-	550.39	-	550.39
Total financial assets	**1,046.91**	**-**	**550.39**	**-**	**550.39**
Financial liabilities measured at amortised cost					
Lease liabilities	0.07	-	-	-	-
Borrowings	232.89	-	-	-	-
Trade payables	106.55	-	-	-	-
Other financial liabilities	173.62	-	-	-	-
Total financial liabilities	**513.13**	**-**	**-**	**-**	**-**

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This includes investment in mutual funds. The fair values of investments in units of mutual fund are based on the Net Asset Value (NAV) as per the fund statement.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values. Investments in mutual funds carried at fair value are generally based on the Net Asset Value (NAV) as per the fund statement.

Financial assets:

Fair value of all the above financial assets are measured at balance sheet date value, as most of them are settled within a short period and so their fair value are assumed to be almost equal to the balance sheet date value.

Financial liabilities:

Borrowing: It includes cash credit and bill discounting facilities (short term borrowings). Short term borrowings are classified and subsequently measured in the financial statements at amortised cost. Considering that the interest rate on short term borrowings is reset on a periodic basis, the carrying amount of the short term borrowings would be a reasonable approximation of its fair value.

Trade payables and other financial liabilities: Fair values of trade payables and other financials liabilities are measured at balance sheet date value, as most of them are satisfied within a short period and so their fair values are assumed almost equal to balance sheet date values.

34 Financial Risk Management

The Company's activities expose to a variety of financial risks: credit risk, liquidity risk and market risk.

Risk management

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

34 Financial Risk Management (continued)

(i) Credit Risk

Credit risk is the risk of financial loss to the Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represents the maximum credit exposure.

Trade and other receivables

The maximum exposure to credit risk at the reporting date is primarily from trade receivables. However, the management also considers the factors that may influence the credit risk of its customer base. Customers of the Company are spread across diverse industries and geographical areas. The Company limits its exposure to credit risk from trade receivables by establishing a maximum credit period and takes appropriate measures to mitigate the risk of financial loss from defaults. Recurring credit evaluation of credit worthiness is performed based on the financial condition of respective customer.

Expected credit loss assessment for trade receivables as at 01 April 2019, 31 March 2020 and 31 March 2021 are as follows:

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables as at 31 March 2021 amounting to ₹597.30 million (31 March 2020: ₹448.26 million; 01 April 2019: ₹457.66 million). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows.

(₹ in million)

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Balance as at the beginning of the year	5.22	1.09
Net measurement of loss allowance (excluding bad debts written off)	(3.95)	4.13
Balance as at the end of the year	**1.27**	**5.22**

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

As at 31 March 2021	**Gross carrying amount**	**Weighted average loss rate**	**Loss allowance**
Current (not past due)	542.34	0.06%	0.35
0-90 days	53.08	0.81%	0.43
91-180 days	2.72	6.99%	0.19
181-270 days	0.16	18.75%	0.03
271-365 days	-	43.88%	-
> 365 days	0.27	100.00%	0.27
Balance as at the end of the year	**598.57**		**1.27**

As at 31 March 2020	**Gross carrying amount**	**Weighted average loss rate**	**Loss allowance**
Current (not past due)	389.83	0.13%	0.49
0-90 days	51.73	0.73%	0.38
91-180 days	6.47	11.75%	0.76
181-270 days	1.16	14.66%	0.17
271-365 days	1.43	39.16%	0.56
> 365 days	2.86	100.00%	2.86
Balance as at the end of the year	**453.48**		**5.22**

As at 1 April 2019	**Gross carrying amount**	**Weighted average loss rate**	**Loss allowance**
Current (not past due)	399.48	0.02%	0.07
0-90 days	51.45	0.10%	0.05
91-180 days	4.99	8.82%	0.44
181-270 days	1.73	5.78%	0.10
271-365 days	0.85	21.18%	0.18
> 365 days	0.25	100.00%	0.25
Balance as at the end of the year	**458.75**		**1.09**

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(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the management in accordance with practice and limits set by the Company.

In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Financing arrangement:
The Company maintains the following line of credit:
(i) Cash credit for banks from carry interest rate of 9.50% per annum, computed on a monthly basis on actual amount utilized, and are repayable on demand. These are secured by pari passu charge on movable and immovable property of the Company.
(ii) The Company has availed bill discounting facility (with recourse) from banks which carries interest between 6.75% to 7.10% per annum (31 March 2020: 7.60% to 8.45%) and is payable within 45 days from the date of discounting of bills.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2021, 31 March 2020 and 01 April 2019. The amounts are gross and undiscounted contractual cash flow includes contractual interest payment and excludes netting arrangements:

As at 31 March 2021

(₹ in million)

Particulars	Contractual cash flows				
	Carrying Amount	Total	0-1 year	1-3 years	3 years and above
Borrowings	92.07	92.07	92.07	-	-
Lease liabilities	0.12	0.49	0.04	0.03	0.42
Trade payables	252.86	252.86	252.86	-	-
Other financial liabilities	169.81	169.81	169.81	-	-

Liquidity risk (continued)

As at 31 March 2020

(₹ in million)

Particulars	Contractual cash flows				
	Carrying Amount	Total	0-1 year	1-3 years	3 years and above
Borrowings	61.70	61.70	61.70	-	-
Lease liabilities	0.07	0.43	-	0.04	0.39
Trade payables	212.41	212.41	212.41	-	-
Other financial liabilities	83.91	83.91	83.91	-	-

As at 01 April 2019

(₹ in million)

Particulars	Contractual cash flows				
	Carrying Amount	Total	0-1 year	1-3 years	3 years and above
Borrowings	232.89	232.89	232.89	-	-
Lease liabilities	0.07	0.43	-	0.03	0.40
Trade payables	106.55	106.55	106.55	-	-
Other financial liabilities	173.62	173.62	149.05	24.57	-

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34 Financial Risk Management (continued)

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and short term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

A) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the respective functional currency of the Company. The functional currency of the Company is primarily INR. The currencies in which these transactions are primarily denominated are USD, EUR, JPY etc.

Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Company decides to exchange its foreign currency.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to management is as follows:

(₹ in million)

Particulars	Currency	As at 31 March 2021		As at 31 March 2020		As at 01 April 2019	
		Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Trade receivables	USD	1.60	117.61	1.36	102.53	1.12	77.41
	EURO	-	-	-	0.49	-	0.46
Trade payables	USD	0.07	5.15	0.08	6.03	0.10	6.91
	EURO	0.02	1.72	0.04	3.32	-	-
	JPY	0.03	0.02	-	-	0.06	0.04
Bank accounts - EEFC	USD	0.22	16.14	0.42	31.73	0.09	6.04
	EURO*	-	0.23	-	0.13	-	0.03
Liability for capital goods	USD	0.24	17.64	0.03	2.26	0.03	2.07

* The amount's are less than INR 0.01 million and hence disclosed as (-)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, EURO and JPY against INR at 31 March 2021 and 31 March 2020 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

(₹ in million)

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2021				
USD (1% movement)	1.11	(1.11)	0.83	(0.83)
EURO (1% movement)	(0.01)	0.01	(0.01)	0.01
JPY (1% movement)	-	-	-	-
31 March 2020				
USD (1% movement)	1.26	(1.26)	0.94	(0.94)
EURO (1% movement)	(0.03)	0.03	(0.02)	0.02
JPY (1% movement)	-	-	-	-
01 April 2019				
USD (1% movement)	0.74	(0.74)	0.52	(0.52)
EURO (1% movement)	-	-	-	-
JPY (1% movement)	-	-	-	-

B) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the company does not have any floating interest rate borrowings or deposits, it is not exposed to interest rate risk.

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35 Capital management

The Company's policy is to maintain stable ring strong capital base structure with a focus on total equity so as to maintain investor, creditor and market confidence and to sustain future development and growth of the business. The Company monitor's the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

The Company monitors capital using a ratio of 'adjusted net debt' to equity' . For the purpose of Company's capital management, adjusted net debt is defined as short term borrowings less cash and cash equivalent, bank balance other than cash and cash equivalents and current investments and total equity includes issued capital and all other equity reserves.
The Company's adjusted net debt equity ratio were as follows:

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Short term borrowings	92.07	61.70	232.89
Less : Cash and cash equivalent	216.12	107.61	29.01
Less : Bank balance other than cash and cash equivalents	159.94	-	-
Less : Current investments	814.66	695.55	550.39
Adjusted net debt	**(1,098.65)**	**(741.46)**	**(346.51)**
Total equity	3,152.16	2,796.50	2,385.57
Net debt to equity ratio	-	-	-

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2021 and 31 March 2020.

36 Related Party Disclosure

(i) Name of related parties and description of relationship:

Entities where control exists	Evergraph Holdings Pte. Ltd. (Holding Company)
Key management personnel (KMP)	1. Mr. K.A. Joseph (Managing Director and Shareholder) 2. Mr. Sanjay Thapar (Director) 3. Mr. Kazi Arif Uz Zaman (Director) 4. Mr. Vishal Sharma (Director)
Transaction with the parties in which directors are interested	Sanders Consulting Private Limited (Shareholder)
Relative of key management personnel	Mrs. Daisy Joseph (Wife of Managing Director and Shareholder)

(ii) The following table is the summary of significant transactions with related parties by the Company:

(₹ in million)

Particulars	Type of transaction	For the year ended 31 March 2021	For the year ended 31 March 2020
Mr. Kazi Arif Uz Zaman	Professional fees	3.50	-
Evergraph Holdings Pte. Ltd.	Interim dividend paid*	94.80	-
Mr. K.A. Joseph	Interim dividend paid*	25.25	-
Mrs. Daisy Joseph	Interim dividend paid*	0.32	-
Sanders Consulting Private Limited	Interim dividend paid*	1.39	-
		125.26	-

* Gross of Tax Deducted at Source

(iii) Compensation of Key Management Personnel ('KMP')*

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Mr. K.A. Joseph	24.12	24.12
Mr. Sanjay Thapar	24.12	24.12
	48.24	**48.24**

*As the liability for gratuity and compensated leave absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors are not included above.

37 Corporate Social Responsibility ('CSR') expenditure

The Company has spent ₹ 9.62 million (2019-20: ₹ 11.26 million) towards various schemes of corporate social responsibility as prescribed under Section 135 of the Companies Act, 2013. The details are:

(a) Gross amount to be spent by the Company during the current year: ₹ 11.79 million (2019-20: ₹ 12.39 million)

(b) Amount spent during the year on CSR are as below :

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(i) Construction/acquisition of any asset	-	-
(ii) For purpose other than (i) above	9.62	11.26
	9.62	**11.26**

38 Commitments and contingent liabilities

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
i) Capital commitments			
Estimated amounts of contracts remaining to executed on capital account and not provided for	4.03	-	0.80
ii) Contingent liabilities			
Guarantee deposits with banks	0.10	0.10	0.10
Claim towards freehold land (refer note below)	20.40	20.40	20.40

The Company had purchased a freehold land of 37 guntas consisting of Schedule A (19 guntas) and Schedule B (17 guntas) in the year 2001. On transition to Ind AS, the Company has elected to fair value the freehold land as deemed cost at INR 278.10 million. The Company is in legal dispute with one of the female legal heir of the erstwhile owner of the freehold land for separate possession of 1/7 share of Schedule A of the freehold land . The above amount of INR 20.40 million has been arrived at basis 1/7 share of fair value of Schedule A of the freehold land, as the Company is contesting this claim in the court of law. Outflows and other consequential payments, if any, arising out of this claim would depend on the outcome of this dispute with the legal heir.

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39 Assets and liabilities relating to employee benefits

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Prepaid gratuity	9.68	11.97	6.22
Prepaid compensated absences	1.97	3.40	-
Total employee benefit assets	**11.65**	**15.37**	**6.22**
Non-current	3.22	5.30	2.17
Current	8.43	10.07	4.05

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Provision for compensated absences	-	-	1.04
Total employee benefit liabilities	-	-	**1.04**
Non-current	-	-	-
Current	-	-	1.04

The Company operates the following post-employment defined benefit plan

(a) Defined benefit plans (funded):

The Company operates post-employment defined benefit plan that provide gratuity, governed by the Payment of Gratuity Act,1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months. The gratuity plan is a funded plan. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

These defined benefit plans expose the Company to actuarial risks., such as longevity risk. currency risk, interest rate risk and market (investment) risk.

A .Funding
Company's gratuity scheme for employees is administered through a trust with the SBI Life Insurance Company Limited. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (E). Employees do not contribute to the plan.

B. Reconciliation of net defined benefit liability
The following table shows a reconciliation from the opening balances to the closing balances for the net defined assets/ liability and its components

Reconciliation of present value of the defined benefit asset

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Obligation at the beginning of the year	75.30	61.59	49.88
Current service cost	8.01	7.40	6.90
Interest cost	5.17	4.65	3.75
Benefits paid	(3.47)	(1.03)	(1.18)
Actuarial gain/ (losses) on obligations recognised in recognised in Other Comprehensive Income (OCI)			
Changes in financial assumption	6.73	4.52	1.97
Experience adjustment	(6.90)	(1.83)	0.27
Obligation at the end of the year	**84.84**	**75.30**	**61.59**
Reconciliation of present value of the plan assets			
Plan assets at the beginning of the year	87.27	67.81	47.26
Interest income on plan assets	6.19	5.38	6.60
Contributions	5.00	14.99	17.62
Benefits paid	(3.47)	(1.03)	(1.18)
Return on plan assets excluding interest income recognised in OCI	(0.47)	0.12	(2.49)
Plan assets at the end of the year at fair value	**94.52**	**87.27**	**67.81**
Net defined benefit asset	**9.68**	**11.97**	**6.22**

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39 Assets and liabilities relating to employee benefits (continued)

C. (i) Expense recognised in the statement of profit or loss

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current service cost	8.01	7.40
Interest cost	5.17	4.65
Interest Income	(6.19)	(5.38)
Net gratuity Cost	**6.99**	**6.67**

(ii)Remeasurement recognised in other comprehensive Income

(₹ in million)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Actuarial loss on defined benefit obligation	(0.18)	2.69
Return on plan assets, excluding interest income	0.48	(0.12)
	0.30	**2.57**

D. Plan assets

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Insurance fund	94.52	87.27	67.81
	94.52	**87.27**	**67.81**

E. Defined benefit obligation

(i)Actuarial Assumption:

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Rate of return on plan assets	7.03%	7.61%	7.60%
Discounting rate	7.03%	6.66%	7.61%
Future salary growth	12.00%	10.00%	10.00%
Attrition rate	13.98%	13.90%	12.00%
Weighted average duration of Defined benefit obligation(in years)	9.86	10.63	10.70
Retirement age	58 Years	58 Years	58 Years

Notes:

(i) The discount rate is based on the prevailing market yield on Governmental Securities as at the balance sheet date for the estimate defined obligations.

(ii)The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risk of asset management. historical results of the return on plan assets and the Company's policy for plan asset management.

(iii)The estimate of future salary increases considered in actuarial valuation takes in to account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(ii)Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in million)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
Projected benefit obligation on Current assumption	84.84	75.30	61.59
Impact of change in discount rate by +1%	(7.03)	(6.09)	(5.29)
Impact of change in discount rate by -1%	8.13	7.06	6.17
Impact of change in salary rate by +1%	4.74	4.77	4.35
Impact of change in salary rate by -1%	(4.78)	(4.61)	(4.07)
Impact of change in employee turnover rate by +1%	(1.73)	(1.19)	(0.78)
Impact of change in employee turnover rate by -1%	1.94	1.35	0.89
Impact of change in mortality rate by +1%	(0.04)	(0.03)	(0.02)
Impact of change in mortality rate by -1%	-	-	-

(b) Defined contribution plan:

The Company makes contributions for qualifying employees to Provident Fund and other defined contribution plans. During the year, the Company recognised ₹12.16 million (31 March 2020 : ₹12.50 million) towards defined contribution plans.

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40 Segment Information

The Company is engaged in the manufacturing and selling of self-adhesive labels like automotive dials, overlays, badges and logos for automotive electronics and appliances industry. The Board of Directors being the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. All operating segments operating results are reviewed regularly by CODM to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risks and returns hence, CODM reviews them as a component. Further, the economic environment in which the Company operates is significantly similar and not subject to materially different risk and rewards. The revenues, total expenses and net profit as per the Statement of profit and loss represents the revenue, total expenses and net profit of the sole reportable segment.

A Geographical information

The geographical information analyses the Company's revenue by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customer and segment assets which have been based on the geographical location of the assets.

Revenue from operations *(₹ in million)*

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Revenue from external customers		
India	2,112.31	1,839.90
Rest of the world	403.85	321.83
Total	**2,516.16**	**2,161.73**

Non current assets

All non –current assets other than financial instruments of the Company are located in India.

B Major customer

Following is the breakup of customer individually accounted for more than 10% of the revenue from external customers during the year ended 31 March 2021 and 31 March 2020.

(₹ in million)

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Customer A	540.64	518.60
Customer B	298.33	333.04
Customer C	283.25	163.34
Customer D	270.08	146.01
Total	**1,392.30**	**1,160.99**

41 Business combinations

The Company had entered into a Settlement and Termination agreement ('Agreement') dated 18 April 2018, and acquired the business of Delta Ram Enterprises, Sirisha Enterprises and SM Enterprises ('Selling parties') effective 1 May 2018 ('Acquisition date'). The Selling parties were earlier acting as sole selling agents of the Company and were providing end-to-end customer relationship and marketing services to the Company. The acquisition was made to gain the synergies of the business and the customers developed by the Selling parties and hence the management concluded this transaction to be a business combination as per Ind AS 103. Pursuant to this Agreement, the Company has acquired the business of the Selling parties for a total cash consideration of ₹100 million to be paid over a period of 2 years in 24 equal installment effective 01 October 2018.

The Company has conducted the fair valuation of the business on the date of acquisition and accordingly have recognised the following assets and liabilities at the Acquisition date:

(₹ in million)

Particulars	**Amount**
Intangible assets	
Customer relationships	37.56
Non-compete	12.20
Total fair value of net assets acquired (A)	**49.76**
Fair value of purchase consideration (B)	**89.27**
Goodwill arising on acquisition (C) = (B-A)	**39.51**

The aforesaid goodwill is not deductible under Income Tax Act, 1961.

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42 First-time adoption of Ind-AS

As stated in Note 1, these are the Company's first Ind AS financials statements prepared in accordance with Ind AS. For the purposes of transition from previous GAAP to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - First Time adoption of Indian Accounting Standards ("Ind AS 101"), with effect from 1 April, 2019 ("transition date"). For the year ended 31 March 2020, the Company has prepared its financials statements in accordance with Company's (Accounts) Rules 2014, notified under section 133 of the Act and other relevant provisions of the Act ("previous GAAP" or "Indian GAAP").

The accounting policies set out in Note 2 have been applied in preparing these Ind AS financial statements for the year ended 31 March 2021 including the comparative information the year ended 31 March 2020 and the opening Ind AS balance sheet on the date of transition i.e. 01 April 2019.

In preparing its Ind AS balance sheet as at 01 April 2019 and in presenting the comparative information for the year ended 31 March 2020, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position and financial performance. There were no significant reconciling items between cash flows prepared under Indian GAAP and those prepared under Ind AS, except ones that are disclosed in Note C (5) below.

Optional exemptions availed and mandatory exceptions
In preparing these Ind AS financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A Optional exemptions availed:

(i) Property, plant and equipment and intangible assets:
As per Ind AS 101 an entity may elect to:

(a) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date;
(b) use the previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:
-fair value;
-or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index,
The elections under (a) and (b) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including the existence of an active market).
(c) use carrying values of property, plant and equipment and intangible assets as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustment relating to decommissioning liability prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Company has elected to fair value its freehold land and uses that fair value as its deemed cost at the date of transition, viz,, 01 April 2019. With respect to the remaining item of property, plant and equipment and intangible assets, the Company has elected to value them in accordance with Ind AS 16 and Ind AS 38 respectively.

(ii) Business Combination
As per Ind AS, at the date of transition an entity may elect not to restate business combination that occurred before the date of transition. If the entity restate any business combination that occurred before the date of transition, then it restates all later business combinations. The Company has elected to apply Ind AS 103, Business Combinations retrospectively to past business combinations that occurred before the Ind AS transition date of 01 April 2019, from 01 April 2018.

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42 First-time adoption of Ind-AS (continued)

B Mandatory exemptions availed:

Ind AS 101 also allows first-time adopters can claim mandatory exceptions to be applied for retrospective application of certain requirements under Ind AS for transition from the previous GAAP (IGAAP):

(i) Estimates:
As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.
As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

Ind AS estimated as at 01 April 2019 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

-Fair valuation of financial instruments carried at fair value through profit and loss or fair value through other comprehensive income,
-Impairment of 'financial assets based on expected credit loss model,
-Determination of the discounted value for financial instruments carried at amortised cost, and

Upon the assessment of the estimate made under previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, other than those which are required due to application of Ind AS.

(ii) Derecognition of financial assets and liabilities:
As per Ind AS 101 an entity should apply the recognition requirements in Ind AS 109, Financial Instruments, prospectively for transaction occurring after the date of transition to Ind AS However an entity may apply the derecognition requirements retrospectively from a date chosen by it if the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transaction were obtained at the time of initially accounting for those transactions.

The Company has chosen to avail the exception to apply the derecognition provision of Ind AS 101 prospectively from the date of transition.

(iii) Classification and measurement of financial assets:
Ind AS 101 requires an entity to classify and measure its financial assets into amortised cost, fair value through profit or loss or fair value through other comprehensive income based on the business model assessment and solely payment of principal and interest ("SPPI") criterion based on facts and circumstances that exist at the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on the facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively.

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42 First-time adoption of Ind-AS (continued)

C Reconciliation of equity as previously reported under Previous GAAP to Ind AS

The following reconciliations provides the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101 :

1. Balance sheet as at 01 April 2019 and 31 March 2020
2. Net profit for the year ended 31 March 2020
3 Total equity as at 01 April 2019 and 31 March 2020
4. Total comprehensive income reconciliation for the year ended 31 March 2020
5. Cash flow reconciliation for the year ended 31 March 2020

1. Reconciliation of Balance Sheet as previously reported under previous GAAP to Ind AS

(₹ in million)

Particulars	Note	Balance Sheet as at 31 March 2020			Balance Sheet as at 01 April 2019		
		Previous GAAP*	Adjustments*	Ind AS	Previous GAAP*	Adjustments*	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment	(i),(iii)	1,247.33	240.50	1,487.83	1,211.68	240.14	1,451.82
Capital work-in-progress		2.46	-	2.46	1.82	-	1.82
Right-of-use assets	(iii)	-	35.72	35.72	-	36.08	36.08
Goodwill	(ii)	-	39.51	39.51	-	39.51	39.51
Other intangible assets	(ii)	7.03	31.68	38.71	9.35	41.11	50.46
Financial assets		-		-	-		-
i. Loans	(iv)	10.64	(0.86)	9.78	8.76	(0.71)	8.05
ii. Other non-current financial assets		0.10	-	0.10	0.10	-	0.10
Income tax assets (net)		54.66	0.17	54.83	54.31	0.17	54.48
Other non-current assets		89.79	(10.07)	79.72	91.00	(1.67)	89.33
Total non-current assets		**1,412.01**	**336.65**	**1,748.66**	**1,377.02**	**354.63**	**1,731.65**
Current assets							
Inventories		277.63	-	277.63	247.14	-	247.14
Financial assets							
i. Investments		695.55	-	695.55	550.39	-	550.39
ii. Trade receivables	(v)	453.08	(4.82)	448.26	458.35	(0.69)	457.66
iii. Cash and cash equivalents		107.61	-	107.61	29.01	-	29.01
iv. Loans	(iv)	0.74	0.86	1.60	0.91	0.71	1.62
v. Other current financial assets		2.08	-	2.08	0.08	-	0.08
Other current assets	(vi)	28.22	12.94	41.16	18.34	4.60	22.94
Total current assets		**1,564.91**	**8.98**	**1,573.89**	**1,304.22**	**4.62**	**1,308.84**
Total assets		**2,976.92**	**345.63**	**3,322.55**	**2,681.24**	**359.25**	**3,040.49**
EQUITY AND LIABILITIES							
Equity							
Equity share capital		304.38	-	304.38	304.38	-	304.38
Other equity	(3	2,248.54	243.58	2,492.12	1,860.86	220.33	2,081.19
Total Equity		**2,552.92**	**243.58**	**2,796.50**	**2,165.24**	**220.33**	**2,385.57**
Liabilities							
Non-current liabilities							
Financial liabilities							
i. Lease liabilities	(iii)	-	0.05	0.05	-	0.05	0.05
ii. Other financial liabilities	(ii)	-	-	-	-	24.57	24.57
Deferred tax liabilities (net)	(vii)	41.46	77.41	118.87	32.57	68.11	100.68
Total non-current liabilities		**41.46**	**77.46**	**118.92**	**32.57**	**92.73**	**125.30**
Current liabilities							
Financial liabilities							
i. Current borrowings		61.70	-	61.70	232.89	-	232.89
ii. Lease liabilities	(iii)	-	0.02	0.02	-	0.02	0.02
iii. Trade payables							
a) total outstanding dues to micro enterprises and small enterprises		76.78	-	76.78	22.01	-	22.01
b) total outstanding dues to creditors other than micro enterprises and small enterprises		135.63	-	135.63	84.54	-	84.54
iv. Other current financial liabilities	(ii)	59.34	24.57	83.91	102.88	46.17	149.05
Income tax liability (net)		29.83	-	29.83	16.47		16.47
Other current liabilities		9.98	-	9.98	14.13	-	14.13
Current provisions		9.28	-	9.28	10.51	-	10.51
Total current liabilities		**382.54**	**24.59**	**407.13**	**483.43**	**46.19**	**529.62**
Total liabilities		**424.00**	**102.05**	**526.05**	**516.00**	**138.92**	**654.92**
Total equity and liabilities		**2,976.92**	**345.63**	**3,322.55**	**2,681.24**	**359.25**	**3,040.49**

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

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42 First-time adoption of Ind-AS (continued)

2 Reconciliation of Statement of Profit and Loss as previously reported under previous GAAP to Ind AS

(₹ in million)

Particulars	Note	For the year ended 31 March 2020		
		Previous GAAP*	Adjustments	Ind AS
Income				
Revenue from operations	(vi)	2,162.73	(1.00)	2,161.73
Other income		51.00	-	51.00
Total income		**2,213.73**	**(1.00)**	**2,212.73**
Expenses				
Cost of raw materials consumed		844.69	-	844.69
Changes in inventory of finished goods, work-in-progress and stores and spares		(21.07)	-	(21.07)
Employee benefits expense	(viii)	329.24	(0.19)	329.05
Finance costs	(ii), (iii)	11.07	3.83	14.90
Depreciation and amortization expense	(ii), (iii)	118.26	9.43	127.69
Other expenses	(ii), (v), (vi)	373.16	0.81	373.97
Total expenses		**1,655.35**	**13.88**	**1,669.23**
Profit before exceptional items and tax		**558.38**	**(14.88)**	**543.50**
Exceptional items	(ii)	50.00	(50.00)	-
Profit before tax		**508.38**	**35.12**	**543.50**
Tax expenses				
Current tax		111.81	-	111.81
Deferred tax (credit)/charge	(vii)	8.90	9.94	18.84
Income tax expense		**120.71**	**9.94**	**130.65**
Profit for the year		**387.67**	**25.18**	**412.85**
Other comprehensive (expense)/income				
Items that will not be reclassified subsequently to profit or loss				
Re-measurements of defined benefit plans	(viii)	-	(2.57)	(2.57)
Income tax relating to items that will not be reclassified to profit or loss	(vii)	-	0.65	0.65
Other comprehensive expense for the year, net of tax		-	**(1.92)**	**(1.92)**
Total comprehensive income for the year		**387.67**	**23.26**	**410.93**

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

3 Total equity as at 01 April 2019 and 31 March 2020

(₹ in million)

Particulars	Notes	As at 31 March 2020	As at 01 April 2019
Equity as reported under previous GAAP		2,552.92	2,165.24
Ind AS adjustments			
Fair value adjustments:			
Property, plant and equipment - Land	(i)	276.16	276.16
Impact of business combination	(ii)	46.62	9.88
Allowance of expected credit losses on trade receivables	(v)	(4.82)	(0.69)
Others	(vi)	3.02	3.09
Deferred tax impact on the aforesaid adjustments	(vii)	(77.40)	(68.11)
Total adjustments		**243.58**	**220.33**
Total Equity under Ind AS		**2,796.50**	**2,385.57**

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42 First-time adoption of Ind-AS (continued)

4 Total comprehensive income reconciliation for the year ended 31 March 2020

(₹ in million)

Particulars	**Notes**	**For the year ended 31 March 2020**
Profit after tax as per previous GAAP		387.67
Ind AS adjustments		
Impact of business combination	(ii)	36.74
Allowance of expected credit losses on trade receivables	(v)	(4.13)
Leases	(iii)	-
Remeasurement of employee benefit obligation	(viii)	0.19
Others	(vi)	2.32
Deferred tax impact on the aforesaid adjustments	(vii)	(9.94)
Net Profit after tax as per Ind AS		**412.85**
Other comprehensive income (net of tax)	(viii)	(1.92)
Total comprehensive income as per Ind AS		**410.93**

5 Cash flow reconciliation for the year ended 31 March 2020

(₹ in million)

Particulars	**Previous GAAP***	**Adjustments#**	**Ind AS**
Net cash flows from operating activities	532.67	50.00	582.67
Net cash flows used in investing activities	(274.10)	(50.00)	(324.10)
Net cash flows from financing activities	(181.46)	-	(181.46)
Effect of exchange differences on cash and cash equivalents held in	1.49	-	1.49
Cash and cash equivalents at the beginning of the year	29.01	-	29.01
Cash and cash equivalents at the end of the year	**107.61**	-	**107.61**

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.
Refer note D (ii)

D Notes to the reconciliation

(i) Property, plant and equipment

The Company has elected to fair value the freehold land and uses that fair value as its deemed cost at the date of transition, viz,, 01 April 2019. With respect to the remaining item of property, plant and equipment and intangible assets, the Company has valued in accordance with Ind AS 16 and Ind AS 38 respectively. The resulting fair value is recognised in retained earnings. The Company has recorded a fair value adjustment of ₹276.16 million to retained earnings as at 01 April 2019 (refer Note 38). Hence, at the date of transition to Ind AS a net increase to the extent of above has been recognised in property, plant and equipment.

(ii) Business combination

Under the previous GAAP, the Company has recorded the amount paid towards acquisition of business from Delta Ram Enterprises, Sirisha Enterprises and SM Enterprises ('Selling parties') as sales commission charges in the Statement of profit and loss as an exceptional item. Under Ind AS - 103, the Company has accounted the business combination using acquisition method. The excess of consideration paid and fair value of identifiable assets recorded as goodwill on the date of acquisition. Refer Note 4, 19 & 41.

On the date of transition following adjustment were made against retained earnings:

1. (₹8.64 million) is on account of amortization of Intangible assets (customer relationship and non compete fees).
2. ₹25.00 million is on account of reversal of sales commission expenses.
3. (₹6.48 million) is on account of discounting of consideration payable

As at ended 31 March 2020 following adjustments were made against retained earnings:

1. (₹9.43 million) is on account of amortization of Intangible assets (customer relationship and non compete fees).
2. ₹50.00 million is on account of reversal of sales commission expenses.
3. (₹3.83 million) is on account of discounting of consideration payable.

Cash flow impact

Under the previous GAAP, the exceptional item of ₹50 million was considered as operating cashflow, on transition to Ind AS the amount paid toward business acquisition was shown as an investing activity in Statement of Cash Flows for the year ended 31 March 2020.

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42 First-time adoption of Ind-AS (continued)

D Notes to the reconciliation (continued)

(iii) Leases

Under the previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incidental to the ownership of an asset. Operating lease were expensed in the statement of profit and loss. Pursuant to application of Ind AS - 116, for operating leases other than those for which the Company has opted for short-term or low value exemption, the Company has recorded a right-of-use assets of ₹36.08 million as on date of transition i.e. 01 April 2019 (31 March 2020: ₹35.72 million) and lease liabilities of ₹0.07 million as on date of transition i.e. 01 April 2019 (31 March 2020: ₹0.07 million). Right-of-use asset is amortised over the lease term or useful life of the leased assets whichever is lower and lease liabilities is subsequently measured at amortised cost and interest expense is recognized. On transition date ,the Company has recognized ₹0.02 million in retained earning and for the year ended 31 March 2020, the Company has recognized ₹0.36 million in Statement of profit and loss towards amortisation of right of use asset and interest expense of lease liability.

The Company has measured the right-of-use asset at the date of transition at its carrying amount as if Ind AS - 116 had been applied since the commencement date of the lease and the lease liability is measured at present value of the remaining lease payments since the date of commencement.

(iv) Loans and other financial assets

The movement in loans is arising mainly on account of reclassification of security deposit from non-current to current basis the lease term schedule.

(v) Trade receivable

Under previous GAAP, the Company has created provision for impairment of receivables based on the incurred loss model. Under Ind AS, impairment loss has been determined as per Expected credit loss (ECL) model over and above the amount carried under IGAAP based on specific identification of such provision required. The provision required under Ind AS - ECL is recognized as retained earnings on date of transition and subsequently in the statement of profit and loss account. On transition date the Company has provided for ECL through retained earnings ₹0.69 million and during the year 31 March 2020 the Company has further provided ₹4.13 million to statement of profit and loss towards increase in allowance of ECL.

(vi) Others

Others include amount towards deferred expense impact related to business support expenditure, leases and reconciliation of prepaid gratuity.

(vii) Deferred tax liabilities

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences.

(viii) Remeasurement of post employee benefits expense

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan asset, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

43 Events after the reporting period

i) In April 2021, the Company has acquired the entire equity shares from the existing equity shareholders of Exotech Plastics Private Limited ("Exotech"), a company engaged in the business of manufacturing and supply of automobile components and other components. The Company has paid ₹640 million as a consideration for acquisition and accordingly, Exotech has become a wholly owned subsidiary of the Company.

ii) After the reporting period, the board of directors of the Company has proposed vide board meeting dated 9th April 2021 an interim dividend of ₹50.22 million i.e. ₹1.65 per share . The dividends have not been recognised as liabilities and there are no tax consequences.

iii) The Company proposes to undertake an Initial Public offer of its equity shares of face value of Rs. 10 each ("the Equity Shares") by way of an offer for sale of Equity Shares by certain exisiting shareholders of the Company ("the offer") , and subsequently list the Equity Shares on one or more stock exchanges. Accordingly, the Company has received approval on 04 June 2021 from Registrar of Companies, Bangalore Karnataka, for the name change of the Company to S.J.S. Enterprises Limited.

There were no other subsequent events after the reporting date which requires disclosure or adjustment to the reported amounts.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018
Place: Bengaluru
Date: 19 July 2021

for and on behalf of Board of Directors of
S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN : 00784084
Place: Bengaluru
Date: 19 July 2021

Sanjay Thapar
CEO and Director
DIN : 01029851
Place: Bengaluru
Date: 19 July 2021

Thabraz Hushain
Company Secretary
PAN : ABVPW4613P
Place: Bengaluru
Date: 19 July 2021

Amit Kumar Garg
Chief Financial Officer
PAN : AAIPG1333L
Place: Bengaluru
Date: 19 July 2021